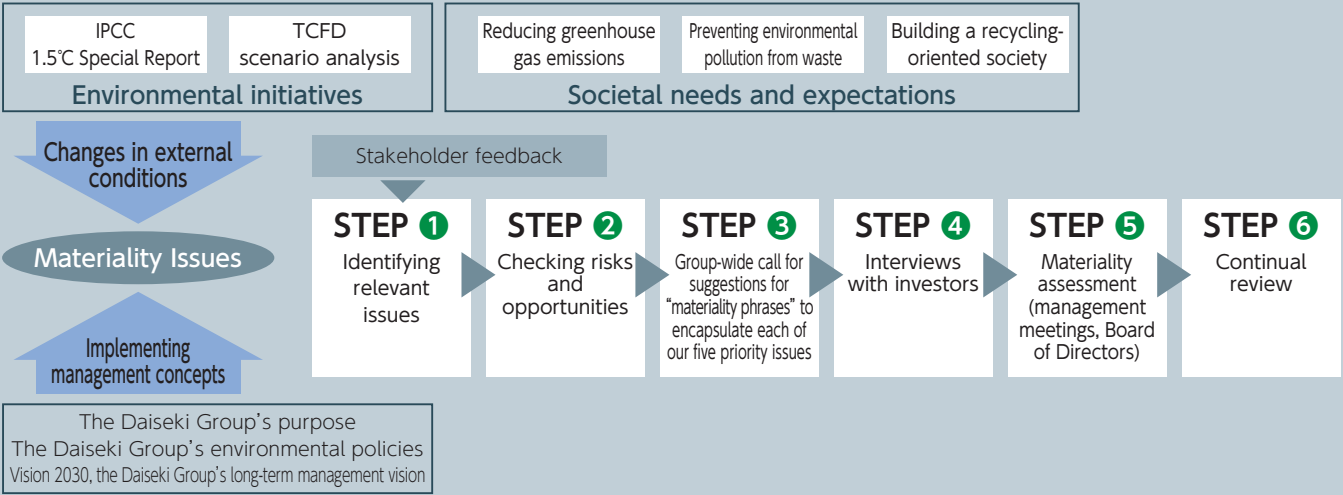


Daiseki Group's Priority Issues and Materiality Assessment Process

The Daiseki Group aims to achieve continued sustainable growth as an environment-creating company contributing to society through the environment. To this end, we have identified five materiality issues and are promoting initiatives in these areas. We will promote the enhancement of our corporate value with a medium- to long-term outlook while concurrently working on ESG perspectives.



Materiality Assessment Process



● Assessing the importance of key issues

High		<ul style="list-style-type: none"> ● Diversity ● Work-life balance ● Human resources development 	<ul style="list-style-type: none"> ● Carbon neutrality ● Circular economy ● Environmental protection ● Relationship of trust with customers ● Health management ● Increasing employee engagement ● Compliance ● Corporate governance ● Core business share up ● Develop new businesses 	
		<ul style="list-style-type: none"> ● Relationship of trust with local communities ● Cooperation with local governments and universities ● Contribution to local communities 	<ul style="list-style-type: none"> ● Demonstration of each person's individuality and abilities ● Philosophy of safety ● Nurturing employees who work safely ● Safety training ● Equipment necessary for safety 	
	Low			
	Low	Importance for the company's business activities		High

● Main opinions considered


















● Investors

- Reducing our greenhouse gas emissions
- Contribution to the water cycle
- Disclosure of toxic waste emissions information
- Strengthening employee education and labor management
- Protecting human rights
- Introduction of a safety management system
- Introduction of performance-linked compensation system
- Strengthening Group company management
- Vision 2030 target management
- Compliance

● Daiseki Group officers and employees

- Realization of a circular economy society
- Promotion of countermeasures for climate change
- Demonstration of each person's individuality and abilities
- Workplaces prioritizing safety where employees can work with peace of mind
- Co-existence and mutual prosperity with local communities
- Gaining trust through compliance

● Each Issue's Connection with the SDGs, Initiatives, and Performance Review

ESG Materiality		FY2023 Initiatives	Stakeholder Interest	Impact on Daiseki Group Operations	Overarching Aims	Related Pages
Materiality Issues	Priority Issues					
<p>Making the best use of limited resources</p>	<ul style="list-style-type: none"> ● Circular economy ● Carbon neutrality ● Environmental protection ● Strengthening trusted relationships with customers as an environment-creating company 	<p>We obtained SBTi certification for our greenhouse gas emissions reduction targets and worked toward these goals. We received a B score from the CDP.</p>	Extremely high	Extremely high	      	P27 ~36
<p>Creating workplace that individuals shine</p>	<ul style="list-style-type: none"> ● Health management (employee, family, supply chain) ● Diversity and inclusion ● Work-life balance ● Human resource development (nurturing employees to win trusts from society and customers as professionals and to be proud of own job for families) ● Workplace and company you can be proud of for your family (employees and company make safe workplace that is worth working for without any frauds) 	<p>We promoted human capital management by formulating a human resources development policy and internal environment improvement policy.</p>	Extremely high	Very high	   	P37 ~40
<p>Eliminating industrial and environmental accidents</p>	<ul style="list-style-type: none"> ● Philosophy to put safety as the top priority ● Nurturing employees who work safely as professionals ● Danger prediction training, risk assessment ● Update and expansion of necessary equipment 	<p>We implemented thorough accident-prevention measures, including investigations into the root causes of accidents and safety patrols of our customers' premises.</p>	Very high	Extremely high	 	P41 ~42
<p>A company well-liked by local communities</p>	<ul style="list-style-type: none"> ● Building relationships and trusts with residents in surrounding area ● Cooperation with local governments and universities in surrounding area ● Company that roots in and contribute to the local area through environment 	<p>We furthered our cooperation with local governments and universities by participating in local government events and implementing practical training in cooperation with universities.</p>	High	High	 	P43 ~44
<p>Promoting thorough understanding of compliance and observation of laws and regulations</p>	<ul style="list-style-type: none"> ● Compliance of related laws such as the Waste Management and Public Cleansing Act ● Employee trainings by compliance study sessions ● Strengthening corporate governance 	<p>We worked to increase employees' knowledge and awareness of laws and regulations through compliance study sessions attended monthly by all employees.</p>	Very high	Extremely high	 	P45 ~50